

May I give just a simple illustration of the way in which Ottawa policies can militate against a province like New Brunswick, and of how utterly helpless New Brunswick is to prevent it. On page 63 of the New Brunswick submission hon. members will find a statement concerning Connors Brothers, Limited, canners of fish, principally sardines. In their establishment there are 600 employees. They give employment to 1,000 men engaged in fishing. There is \$2,000,000 invested in the industry. Surely one would expect the dominion government to do something to assist an industry of such value in providing employment for the people of Canada and in increasing the well-being of New Brunswick. But this is what this government actually did.

This canning factory in 1937 placed an order in Maine for \$5,070.04 worth of tin-plate. When the goods crossed the border, the Minister of Finance was not content with charging his duty upon the \$5,070.04. He set the price at \$5,553, and then levied his duty upon that sum, thereby taking from the company \$1,110.60. Then he imposed an excise duty of \$199.91. Then he imposed further a dumping duty of \$1,066.10. The result was that these duties so greatly increased the cost of the tin-plate, which constitutes a major part of the cost of the final product, that the cost to the maritime provinces was estimated at several hundred thousands of dollars annually, and the cost to the Dominion of Canada was several million dollars annually. I am not going to discuss the possible reasons for these imposts. I merely point to the fact that they were there, and that they militated against that valuable industry which was a natural industry to New Brunswick, and I point out that unless the policies at Ottawa are managed in such a way as to cause the federal government to refrain from placing such a burden upon the industries of a province, the provinces can never be prosperous or strong.

I turn now to a second major disability of the provinces—the alarming development of price disparities, bearing with especial severity upon our agricultural population. In the Searle index letter of February 19, I read the following statement:

The Searle index of the cost of things farmers buy (147 items) now stands at 142—1913 equals 100. This means that these things cost farmers of the west at the present time 42 per cent more than did similar items of the same quality in 1913-14.

The price of wheat, No. 1 northern, on February 18, basis the open market price, was 14 per cent less than it was in 1913-14. This means, therefore, that a bushel of wheat in western Canada now has a purchasing power of

58 per cent only, in comparison with the purchasing power of a bushel of wheat in 1913-14 of 100 per cent.

The Searle index further shows that the cost of the things that farmers buy has risen 8 per cent as a result of this present war. That is, costs are now 8 per cent on the average higher for the 147 items than they were in August 1939.

Apologists for the government will urge that the prices which western farmers obtain for their products are dependent upon external market conditions, and they will point to the collapse of Holland, Denmark and all the rest of them as the reason why. Their defence is a very weak one. I shall not enter into the whole question just now, but let us as responsible members of this house bear in mind that this disability does exist, and that so long as it exists it is simply fatuous for us to expect from the people of western Canada a similar contribution in the conduct of this war to their contribution in the last war, be their will ever so strong.

There is another aspect of the question which, I think, will require much apology on the part of government supporters. The cost of binders, to take only one example, has risen since 1913, according to the figures I find in "The Cooperative Machinery Plan," published by Canadian Cooperative Implementations Limited, as follows:

Year	Material	Labour	Over-head	Experimental
1913.....	\$45.56	\$11.97	\$17.96	\$.34
1936.....	71.06	22.62	33.93	2.55
1940.....****

Year	Freight	Agent commission	Gross margin	Cash price Regina	Cost in bushels of wheat
1913...	\$17.80	\$30.45	\$42.94	\$167.02	261
1936...	26.08	45.50	79.26	281.00	319
1940...***	340.00	637

* These figures not available for 1940.

Those machines are manufactured in Canada. It must lie within the power of the dominion government, or the Ontario government, or both, to control the price of them. Yet let me point out, what I consider a disgraceful thing, that the agent's commission rose from \$30.45 in 1913 to \$45.50 in 1936, and the freight, over which this government certainly has control if it chooses to exercise it, increased in the same period from \$17.80 to \$26.08. I am not going into further details regarding the matter. I wish merely to point out that there is here a glaring injustice, that this situation has been permitted by the government at Ottawa to develop, and that a major part of the blame must be assumed by the Mackenzie King